C1
1215:L44

Doc
KF7754
.N57
1996

C1
1215:L44

State Library of North Carolina
Raleigh

DEPARTMENT OF ENVIRONMENT, HEALTH AND NATURAL RESOURCES

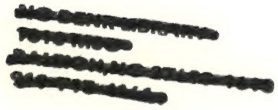
LEGISLATIVE REPORT

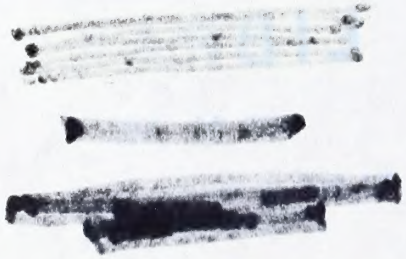
1996 SESSION

PREPARED BY: **OFFICE OF LEGISLATIVE & INTERGOVERNMENTAL AFFAIRS**
DIVISION OF BUDGET, PLANNING & ANALYSIS

Doc
KFN 7754
.N67
1996

CI
1215: L44





INDEX

Special Provisions - Statewide 1

Special Provisions - Administration 9

Conference Report - Administration 10

Special Provisions - Environment 11

Conference Report - Environment 19

Special Provisions - Health 22

Conference Report - Health 28

Special Provisions - Natural Resources 31

Conference Report - Natural Resources 36

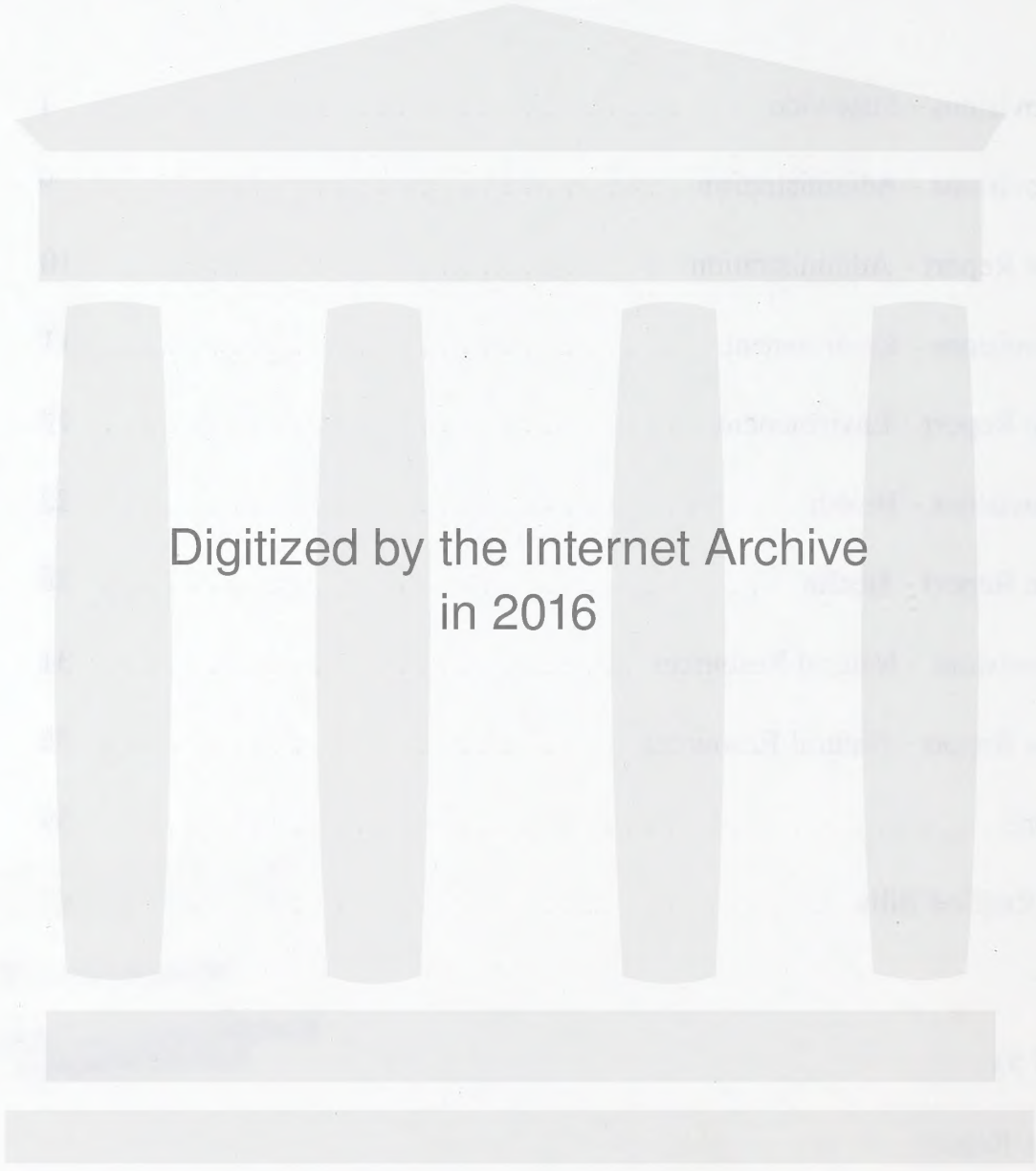
New Reports 39

Listing of Ratified Bills 47

Appendix:

House Bill 53

Conference Report



Digitized by the Internet Archive
in 2016

https://archive.org/details/legislativerepor00nort_0

House Bill 53

Sec. 7.4. **CHANGES IN THE EXECUTION OF THE BUDGET**

G.S. 120-76 is amended:

The Governor shall consult the Joint Legislative Commission on Governmental Operations before doing any of the following:

a. Allocating funds from the Contingency and Emergency Fund.

b. Authorizes expenditures in excess of the total requirements of a program as enacted by the General Assembly, except for trust funds as defined in G.S. 116-36.1(g).

c. Reduces program funding by 10% or more in the federal fund level certified to a department and any subsequent changes in distribution formulas.

d. Takes extraordinary measures under Article III, Section 5(3) of the Constitution to effect necessary economies in State expenditures required for balancing the budget due to a revenue shortfall, including, but not limited to, the following: loans among funds, personnel freezes or layoffs, capital project reversions, program eliminations, and use of reserves.

e. Approves a new capital improvement project funded from gifts, grants, receipts, special funds, self-liquidating indebtedness, and other funds or any combination of funds for the project not specifically authorized by the General Assembly.

Sec. 7.4(b)

The Governor shall consult with the Joint Legislative Commission on Governmental Operations before making allocations from the Repairs and Renovations Reserve Account.

Requires the Director of Budget to consult with the Joint Legislative Commission on Governmental Operations on expenditures for the purposes of contingent or emergency uses prior to presenting such a proposal to the Governor and Council of State for their recommendation.

Sec. 7.4(d)

The Director of the Budget shall not use funds in the Repairs and Renovations Reserve Account unless the use has been approved by an act of the General Assembly, if the General Assembly is not in session, the Director must first consult with the Joint Legislative Commission on Governmental Operations.

Sec. 7.4(f)

Changes require the Director of Budget to consult with the Joint Legislative Commission on Governmental Operations prior to the approval of over expenditure with regard to a purpose or program and that such over expenditures can not exceed 10% of the amount appropriated to that purpose or program or $500,000 whichever is less, and only if such expenditures are required to continue the purpose or program due to changes in unforseen circumstances at the time of budget enactments and this scope of the program is not increase.

The limitation with respect to amount of over expenditure is waived if such over expenditures are necessary to match federal entitlement programs.

The Director does however have the latitude to deviate from the aforementioned if complications arise in the budget process that were not considered prior to the enactment of the '96-'97 budget and if the Director consults with the Joint Legislative Commission on Governmental Operations prior to authorizing the over expenditure.

Sec. 7.4(g) amends **G.S. 143-25.**

Gives the Governor the ability to reduce appropriation upon consultation with the Joint Legislative Commission on Governmental Operations in certain instances. This authority rested solely with the State Budget Director previously. appropriations to educational, charitable and correctional institutions are in addition to receipts by them.

Amends this section to include the requirement of the State Budget Director to consult with Joint Legislative Commission on Governmental Operations in certain instances.

Sec. 7.4(h)(1) amends **G.S. 143-27.**

Adds "budgeted Special fund Codes" to this section.

Sec. 7.4(h)(3).

Requires that during the fiscal year '96-'97 that the Office of State Budget report to The Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division within 30 days of the end of each quarter on the expenditure of receipts in budgeted Special Fund Codes in excess of the amounts certified.

Sec. 7.4(j) amends **G.S. 143-16.3.**

Specifies that only funds from gifts, grants or allocations from the C & E fund may be expended for purposes, positions or other expenditures for which the General Assembly considered but did not appropriate funds for the current fiscal period.

States that the General Assembly has considered funding if the purpose, position or other expenditure has been included in a bill, amendment, or petition **and** has been deliberated by any committee in the House or Senate.

Sec. 7.6. **PERFORMANCE BUDGETING**

" The Director of the Budget may expend funds to continue to develop performance/program budget analysis for the 10 program areas of North Carolina State government that were identified by the Governmental Performance Audit Commission.

The format of the presentation of the recommended 1997-99 State budget to the 1997 General Assembly shall follow that of presenting by department budget codes the line-item requirements for each fund along with a cross-reference to the appropriate program area and program outcome measure related to the budget fund."

Sec. 7.8. **TOTAL QUALITY MANAGEMENT**

" For the 1996-97 fiscal year only, the provisions of G.S. 143-16.3 do not apply to The Total Quality Management Program. This program shall be administered by the Office of State Budget and Management."

Sec. 7.10 **CLARIFYING AND TECHNICAL CHANGES/ADMINISTRATIVE RULES**

sec. 7.10(a) amends **G.S. 150B-19**.

Allows an agency to inform the public in a brief statement of a requirement imposed by law, prohibiting The adoption of a rule that repeats the content of a law, rule or federal regulation.

Sec. 7.10(d)

Adds two scenarios for the **expiration** of a temporary rule:

1. The effective date of an act by the General Assembly which disapproves a permanent rule adopted to replace a temporary rule.

2. 270 days from the date the temporary rule was published in the North Carolina Register unless a permanent rule has been submitted to the Rules Review Commission.

Sec. 7.10(I) amends **G.S. 89C-3(6)**

Redefines "practice of engineering" so that it does not include the assessment of UST's at closure or change in service, unless there has been a release or discharge of product from the tanks.

Sec. 7.10(j) amends **G.S.89E-3(4)**

Redefines Geology so that it does not include the assement of UST's at closure or change in service unless there has been a release or discharge of product from the tanks.

PART 10. DEPARTMENT OF ADMINISTRATION

Sec. 10. **DOA TO EVALUATE UTILIZATION OF "STATE-OWNED SPACE"**

Requires DOA to study and evaluate the use of State-owned space and develop a priority list of uses best suited and most cost effective for state-owned space. DOA will also develop a long-term plan for reducing the State's dependency on leased office space. DOA shall report its findings to the General Assembly no later than Jan. 1, 1997

Sec. 10.1 **DIRECTOR OF THE BUDGET AND STATE CONSTRUCTION MAY TIME SELECTION OF DESIGNERS AND RELEASE OF DESIGN AND CONSTRUCTION FUNDS TO AVOID INFLATION DUE TO MARKET PRICES BEING INCREASED BY THE NUMBER OF CONTRACTS**

Amends G.S. 143-135.26(1)

Adds this language regarding the selection of all designers and consultants: "... the Director of the Budget, after consultation with the State Construction Office, may waive the 60-day requirement for the purpose of minimizing project costs through increased competition and improvements in the market availability of qualified contractors to bid on State capital improvement projects. The Director of the Budget also may, after consultation with the State Construction Office, schedule the availability of design and construction funds for capital improvement projects for the purpose of minimizing project costs through increased competition and improvements in the market availability of qualified contractors to bid on State capital improvement projects."

PART 28. SALARIES AND BENEFITS

Sec. 28.12 **MOST STATE EMPLOYEES**

Rewrites **Section 7.14 of Chapter 507 of the 1995 Session Laws**

Provides for a pay raise of 2% career growth and 2.5% cost of living adjustment, to be effective September 1, 1996. Some exceptions noted in Sec. 28.12.

Sec. 28.18 **STUDY COMMISSION ON THE COMPREHENSIVE COMPENSATION SYSTEM**

The Study Commission on the Comprehensive Compensation System is created and consists of 9 members (3 appointed by each the Speaker of the House, the President Pro Tempore of the Senate, and the Governor). The Commission is established to:

"(1) Evaluate the Comprehensive Compensation System established in Article 2 of Chapter 126 of the General Statutes; and

(2) Determine a methodology for funding the pay plan for State employees at varying levels of appropriations to fund State pay increases."

The Commission reports to the Speaker of the House and the President Pro Tempore of the Senate on or before the first day of the 1997 Session. State departments and agencies are responsible for providing any requested information to the Commission that is available to them.

Sec. 28.19 **SALARY ADJUSTMENT FUND**

" Any remaining appropriations for legislative salary increases not required for that purpose may be used to supplement the Salary Adjustment Fund. These funds shall first be used to provide reclassifications of those positions already approved by the Office of State Personnel. The Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations prior to the allocation of these funds."

Sec. 28.20 **TRAVEL EXPENSE REIMBURSEMENT STUDY**

"The Office of State Budget and Management shall study the issue of whether the current system of reimbursement of State employees for job-related travel expenses is flexible enough to allow State employees to recover the actual cost of expenses incurred for lodging and meals, when the total of all such costs does not exceed the maximum statutory amount. If the Office of State Budget and Management finds that the current system is not flexible enough to allow State employees to recover all such expenses, the Office of State Budget and Management shall consider ways to make the system more flexible. The Office of State Budget and Management shall report the results of its study, including any proposed policy or statutory changes and the fiscal impact of such changes, to the Joint Legislative Commission on Governmental Operations, prior to February 1, 1997."

Sec. 28.21 **POST RETIREMENT BENEFIT INCREASES**

G.S. 135-5 is amended

Provides for a 4.4% increase in retirement allowances to or on account of beneficiaries whose retirement on or before July 1, 1995 to begin September 1, 1996.

Sec. 28.2 **SALARY-RELATED CONTRIBUTIONS/EMPLOYERS**

Amends **Section 7.1(b) of Chapter 324 of the 1995 Session Laws:**

Reflects current dates(1996-1997) and specifies the state's employer contribution rates (10.83% for retirement- teachers and state employees, 15.83%- State law enforcement Officers.

Sec. 28.22 **STATE EMPLOYEE HEALTH BENEFIT PLAN/PREEXISTING HEALTH CONDITIONS**

G.S. 135-40.1(15) is amended:

Redefines "preexisting Condition" to read "A condition, disease, illness or injury diagnosed and related within six months prior to the effective date of coverage." Also directs the Plan to credit against the twelve month waiting period for preexisting conditions anytime that a person was covered under a previous plan if the previous plan coverage was continuous until at least 60 days prior to the effective date of present coverage.

Sec. 28.24 **STATE EMPLOYEE HEALTH BENEFIT PLAN/SKILLED NURSING FACILITY BENEFITS IN FACILITIES NOT MEDICARE-QUALIFIED**

G.S. 135-40.6(3) Amended:

Pays benefits to Skilled Nursing Facilities licensed under applicable state laws.

PART 29. MISCELLANEOUS PROVISIONS

Sec. 29. **EXECUTIVE BUDGET ACT APPLIES**

"The provisions of the Executive Budget Act, Chapter 143, Article 1 of the General Statutes, as amended by this act, are reenacted and shall remain in full force and effect and are incorporated in this act by reference."

Sec. 29.1 **CONFERENCE REPORT**

Sec. 29.1(a) "The Joint Appropriations Committee House/Senate Conference Report on Budget Modifications, dated August 3, 1996, together with any accompanying correction sheets, which was distributed in the Senate and used to explain this act, shall indicate action by the General Assembly on this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for these purposes shall be considered a part of this act."

Sec. 29.1(b) "The budget enacted by the General Assembly for the maintenance of the various departments, institutions, and other spending agencies of the State for the 1995-97 fiscal biennium is a line item budget, in accordance with the Budget Code Structure and the State Accounting System Uniform Chart of Accounts set out in the Administrative Policies and Procedures Manual of the Office of the State Controller. This budget includes the appropriations made from all sources including the General Fund, Highway Fund, special funds, cash balances, federal receipts, and departmental receipts."

Sec. 29.3 **1995-96 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY**

" Except where expressly repealed or amended by this act, the provisions of Chapters 324 and 507 of the 1995 Session Laws remain in effect."

" Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1995-96 fiscal year in Chapters 324 and 507 of the 1995 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations and budget reductions of this act for those same particular purposes."

Sec. 29.4 **EFFECT OF HEADINGS**

"The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act."

Sec. 29.5 **SEVERABILITY CLAUSE**

" If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid."

Sec. 29.6 **EFFECTIVE DATE** "Except as otherwise provided, this act becomes effective July 1, 1996. In the General Assembly read three times and ratified this the 3rd day of August, 1996."

House Bill 53

Sec. 27.15 **BEAVER DAMAGE CONTROL FUNDS**
#74 CONFERENCE REPORT (E 12)

Section 26.6 of Chapter 507 of the 1995 Session Laws is rewritten:

Adds Anson, Chowan, Cumberland, Granville, Harnett, Jones, Lee, Lenoir, and Martin Counties to the Beaver Damage Control Program.

Appropriates **$450,000 NR** FY '96-'97 for all participating counties.

Participating counties shall make a commitment of matching funds to the Wildlife Resources Commission no later than September 30 of each fiscal year.

Sec. 27.16 **1995-96 BEAVER DAMAGE CONTROL FUNDS REVERT**
#75 CONFERENCE REPORT (E 12)

"The sum of one hundred fifty thousand dollars (**$150,000**) that was appropriated to the Wildlife Resources Commission for the 1995-96 fiscal year to provide the State share for beaver damage control pursuant to Section 27.3 of Chapter 769 of the 1993 Session Laws and that was designated as recurring funds shall revert to the General Fund on June 30, 1996.

Sec. 24.22 **MULTI-COUNTY WATER CONSERVATION AND INFRASTRUCTURE DISTRICT**
 # 67 CONFERENCE REPORT (E 11)

G.S. 158-15.1 is rewritten:

Adds Caswell, Forsyth, Guilford, Rockingham, Stokes, Surry, and Washington Counties to the Multi-County Water Conservation and Infrastructure District and allocates **$1,000,000** to the District to be allocated to the new member counties based on a percentage of land area each new member county has in the Roanoke River Basin in North Carolina.

Sec. 27.36 **ENSURE LEGISLATIVE REVIEW OF CERTAIN RULES**

G.S. 150B-21.3 does not apply to a rule that extends the date set in 15A NCAC 13B .1627(c)(10)(A) for closure of a municipal solid waste landfill facility beyond January 1, 2000.

#71(page E 12) **Partnership for the Sounds - Expansion** **$800,000 NR**
Funds for the North Carolina Estuarine film and gift shop in Washington, to develop a roadside overlook on Highway 94 between Columbia and Fairfield, to renovate a theater, which will serve as an environmental education center in Columbia, for additional renovations to Lake Mattamuskeet Lodge, and to continue development of the Roanoke Visitors Center in Windsor.

Wildlife Resources Commission

#74(page E 12) **Beaver Control Program**(Sec. 27.15) **$450,000 NR**
Continues Beaver Control Program with nonrecurring funds. Expands coverage from 27 to 36 counties.

#75(page E 12) **Beaver Control Program**(Sec. 27.16) **($150,000) R**
Eliminate recurring appropriation for the Beaver Control Program. Program will be funded with nonrecurring appropriation.

Reserves and Special Funds

#67(page E 11) **Multi-County Water Conservation & Infrastructure**(Sec. 24.22) **$1,000,000 NR**
Funds for seven additional counties in the Multi-County Water Conservation and Infrastructure District. Establishes a distribution formula different than that used for other Counties in this district.

Sec. 7.10 **CLARIFYING AND TECHNICAL CHANGES/ADMINISTRATIVE RULES**

(I) **G.S. 89C-3(6)** is rewritten:

Redefines "practice of engineering" so that it does not include the assement of UST's at closure or change in service, unless there has been a release or discharge of product from the tanks.

(j) **G.S.89E-3(4)** is rewritten:

Redefines Geology so that it does not include the assement of UST's at closure or change in service unless there has been a release or discharge of product from the tanks.

Sec. 7.11. **CAPITAL RESERVE**

Capital Improvements - General Fund	1996-1997
Department of Environment, Health, and Natural Resources	
Water Resources	8,705,000

Sec. 27.3. **ODOR CONTROL TECHNOLOGY STUDY**
 # 30 CONFERENCE REPORT (page E 7)

Appropriates **$600,000 NR** to DEHNR, provided that funds are matched by private interest to be transferred to the Board of Governor's to allow N.C. Ag. Research Service to conduct "...research into economically feasible odor control technologies and to provide detailed economic analysis of odor management."

Sec. 27.4. **WETLANDS RESTORATION PROGRAM/FUNDS**
#40 CONFERENCE REPORT (page E 8)

Appropriates **$500,000** in recurring funds for 8 positions and **$9,200,000** in nonrecurring funds for the implementation of the Wetlands restoration program.

Article 21 of Chapter 143 of the General Statutes is amended:

"The Wetlands Restoration Program is established within the Department of Environment, Health, and Natural Resources. The Wetlands Restoration Program shall be developed by the Department as a nonregulatory statewide wetlands restoration program for the acquisition, maintenance, restoration, enhancement, and creation of wetland and riparian resources that contribute to the protection and improvement of water quality, flood prevention, fisheries, wildlife habitat, and recreational opportunities."

"The Department shall develop basin wide plans for wetlands and riparian area restoration with the goal of protecting and enhancing water quality, flood prevention, fisheries, wildlife habitat, and recreational opportunities within each of the 17 major river basins in the State. Beginning July 1, 1997, the Department shall develop and begin implementing a basin wide restoration plan for each of the 17 river basins in the State in accordance with the basin wide schedule currently established by the Division of Water

G.S. 143-214.12. Wetlands Restoration Program: Wetlands Restoration Fund.

" Wetlands Restoration Fund. -- The Wetlands Restoration Fund is established as a non-reverting fund within the Department. The Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3." The Wetlands Restoration Fund shall provide a repository for monetary contributions and donations or

G.S. 143-214.13. Wetlands Restoration Program: Reporting Requirement.

"The Department of Environment, Health, and Natural Resources shall report each year by November 1 to the Environmental Review Commission regarding its progress in implementing the Wetlands Restorations Program."

Sec. 27.6. **CLEAN WATER MANAGEMENT TRUST FUND**
#68 CONFERENCE REPORT (page E 11)

Chapter 113 of N.C. G. S. New Article 13A.

"Earmarks 6.5% of the year-end general fund credit balance annually to help finance projects that address water pollution problems and focus on upgrading surface waters, eliminating pollution and protecting and conserving unpolluted waters, including urban water supplies, and also to develop a network of riparian buffers and greenways for environmental, educational, and recreational benefits."

Sec. 27.7. **STUDY GROUNDWATER IMPACTS OF LAGOONS**
#42 CONFERENCE REPORT(page E8)

Appropriates **$375,000** FY '96-'97 to DEHNR provided that funds are matched by private interest to be transferred to the Board of Governor's to allow N.C. Ag. Research Service to conduct a study to determine"... the extent to which animal waste lagoons pose a threat, if any, to the groundwater of the State."

Sec. 27.8. **LOWER NEUSE RIVER BASIN ASSOCIATION FUNDS**
#47 CONFERENCE REPORT (page E9)

Appropriates **$2,000,000 NR** FY '96-'97 to the Lower Neuse River Basin Association to be allocated as "... grants to local government units in the Neuse River Basin to assist those local government units in fulfilling their obligations under the Neuse River Nutrient Sensitive Waters Management Strategy plan adopted by the Environmental Management Commission. The funds are contingent upon the adoption of the plan by the Environmental Management Commission. If the Environmental Management Commission fails to adopt the plan by June 30, 1997, then the funds shall revert to the General Fund."

Sec. 27.9. **STUDY OF ATMOSPHERIC DEPOSITION OF NITROGEN IN NEUSE ESTUARY**
#48 CONFERENCE REPORT(page E9)

Appropriates **$450,000 NR** FY '96-'97 to DEHNR to be transferred to the Board of Governor's for N.C. Ag. Research Service to contract with a research institution(in State if possible) and in collaboration with DEHNR to "...research and perform computer modeling to identify the amount of atmospheric nitrogen reaching the Neuse estuary, to enable the development of strategies to reduce the most significant sources of nitrogen, and to improve water quality."
Funds not expended or encumbered shall revert at the end of the 1997-98 fiscal year.

Sec. 27.9A. **TRANSFER THE GEODETIC SURVEY SECTION TO THE OFFICE OF STATE PLANNING**
#50 CONFERENCE REPORT (page E9)

"The 22 positions, support, and equipment in the Geodetic Survey Section of the Division of Land Resources, Department of Environment, Health, and Natural Resources, shall be moved to the Office of State Planning in the Office of the Governor." The Geodetic Survey Section's budget was reduced by $200,000 in state appropriation and receipts in this budget were increased by $200,000.

Sec. 27.10. **HAZARDOUS WASTE REPORTS**
#51 CONFERENCE REPORT (page E9)

Beginning in 1997, the Department of Environment, Health, and Natural Resources shall report on the generation, storage, treatment, and disposal of hazardous waste in North Carolina no more often than it is required to report under federal law or federal regulation. The Division of Solid Waste Management's budget was reduced by $69,568 in state appropriation and two positions were abolished.

Sec. 27.12. **STUDY ENVIRONMENTAL IMPACTS OF ABANDONED LAGOONS/ANIMAL FACILITIES #72 CONFERENCE REPORT (page E12)**

Appropriates **$25,000 NR** to DEHNR to be placed in a reserve to be used by a legislative study commission to study the environmental impact of closed or abandon animal facilities or lagoons.

The commission is to report its findings, recommendations and legislative proposals to the 1997 General Assembly, the Environmental Review Commission and the Fiscal Research Division.

Sec. 27.13. **RESERVE FOR PERMITTING AND INSPECTING ANIMAL WASTE MANAGEMENT SYSTEMS #70 CONFERENCE REPORT (page E11)**

Appropriates **$1,550,766** in recurring funds to establish and support positions for the permitting , inspection and enforcement activities for animal waste management systems."...**$704,473** in recurring funds shall be used to establish and support 14 positions in the Division of Soil and Water Conservation; and **$846,293** in recurring funds shall be used to establish and support 18 positions in the Division of Water Quality."

"When implementing this section, the Department shall cooperate with the Cooperative Extension Service, the Natural Resources Conservation Service of the United States Department of Agriculture, and the local Soil and Water Conservation Districts."

"No later than October 15, 1996, and quarterly thereafter, the Department of Environment, Health, and Natural Resources shall submit status reports to the Environmental Review Commission and the Fiscal Research Division."

"The information to be included in the reports... shall be itemized by each regional office of the Department, with totals for the State indicated."

"Fees collected pursuant to G.S. 143-215.10G shall not be used by the department to cover the cost of this program, but shall be credited to the General Fund as nontax revenue."

Sec. 27.23. **PROHIBIT TRANSFER OF POSITIONS FROM SOIL AND WATER CONSERVATION TO WATER QUALITY**

"DEHNR shall not transfer any positions established in this act for the Division of Soil and Water Conservation to the Division of Water Quality."

Sec. 27.24. **ADOPT-A-BEACH**

#38 CONFERENCE REPORT (page E 7)

The Division of Coastal Resources is appropriated **$30,000 NR** to implement this Section.

Chapter 143 of the General Statutes is amended by adding Article 69:

Establishes an Adopt-A-Beach Program within DEHNR :

1. "to educate citizens and make them more aware of the need to keep the State's coastline clean and free of trash."
2. "to generate data on the volume and contents of beach pollution."

DEHNR shall report to the ERC by March 15, 1997 and annually there after on the progress of program implementation.

Sec. 27.26. **WATER RESOURCES DEVELOPMENT PROJECTS FUNDS**

"Of the funds designated in Section 7.11 of this act to the Department of Environment, Health, and Natural Resources for the 1996-97 fiscal year for capital projects, the sum of eight million seven hundred five thousand dollars (**$8,705,000**) shall be used for water resources development projects. The Department shall allocate funds for the following projects whose estimated costs are as indicated:"

(1)	Jordan Lake Water Supply Repayment	$130,000
(2)	Wilmington Harbor Maintenance Dredging	575,000
(3)	Morehead City Harbor Maintenance Dredging	50,000
(4)	Wanchese Channel Maintenance Dredging	100,000
(5)	Aquatic Plant Control (statewide, including Lake Gaston)	200,000
(6)	Wilmington Harbor Anchorage Basin Widener	400,000
(7)	Cape Fear - Northeast Cape Fear Deepening	530,000
(8)	North & Manteo Channel Maintenance Dredging	400,000
(9)	State - Local Projects	380,000
(10)	New Hanover County Spoil Disposal	125,000
(11)	Beaufort Harbor	80,000
(12)	Rollinson Channel Maintenance, Dare County	400,000
(13)	Far Creek Channel Maintenance, Hyde County	280,000

(14)	Currituck Sound Flow Study	100,000
(15)	Emergency Flood Control Projects (Section 14)	75,000
(16)	Corps of Engineers Feasibility Studies	100,000
(17)	Planning Assistance to Communities	75,000
(18)	Walter Slough Dredging	500,000
(19)	Whittaker Creek Canal Dredging	425,000
(20)	Carolina Beach South (Kure Beach) Beach Protection	3,580,000
(21)	Dare County Beaches Feasibility Study	200,000
	TOTAL	$8,705,000

The Department shall make quarterly reports on the use of these funds to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Office of State Budget and Management."

Sec. 27.30. **ABOVEGROUND STORAGE TANKS INSPECTION AND MONITORING #41 CONFERENCE REPORT (page E8)**

" Of the funds appropriated to the DEHNR **$200,000 NR** FY '96-'97 " shall be used to continue to conduct periodic inspections at major oil terminal facilities, as defined in G.S. 143-215.77, in Mecklenburg County and the equipment at these facilities to determine whether oil or any other hazardous substance is being discharged into the environment and, at the facility and in the area surrounding the facility, to monitor the quality of the air, water, and soil and analyze air, water, and soil samples to determine the presence of toxic emissions, water quality degradation, or soil contamination."

"Beginning October 1, 1996, and quarterly thereafter, the DEHNR shall submit a report of its inspection and monitoring activities...section to the Environmental Review Commission."

Sec. 27.32. **ENVIRONMENTAL REPORTS**

"The Department of Environment, Health, and Natural Resources shall report to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on January 1, 1997, and July 1, 1997, on:

(1) Actions taken to reorganize the Department to make the Department operate more efficiently and effectively.

(2) Actions taken by the Environmental Management Commission, the Coastal Resources Commission, and the Marine Fisheries Commission to enhance communication, and to develop a strategic plan to coordinate and consolidate activities.

(3) Progress made to implement initiatives to protect and restore impaired water quality in the Neuse River Basin and in nutrient sensitive waters including a report on implementation of the animal waste management system permits."

(b) The Primary Investigator or Researcher receiving funding from the State shall report to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on January 1, 1997, and July 1, 1997, on preliminary and final results of research projects and studies on:

(1) Odor control technology;

(2) Sources of nitrogen through isotope markers;

(3) Groundwater impacts of lagoons;

(4) Atmospheric deposition of nitrogen in the Neuse Estuary; and

(5) Alternative animal waste technologies.

Sec. 27.34 **ENVIRONMENTAL TECHNICAL CORRECTIONS**

Changes Environmental Management to Water Quality in various sections of the N.C.G.S.

Also corrects an incorrect siting of General Statute.

Sec. 27.35. **STUDY ALTERNATIVE ANIMAL WASTE TECHNOLOGIES**

#43 CONFERENCE REPORT (page E8)

Appropriates **$500,000 NR** FY '96-'97 to DEHNR to be transferred to the Board of Governor's to allow N.C. Ag. Research Service "...to serve as focal points for experimentation with and testing of alternative animal waste disposal technologies for use in agriculture."

Sec. 27.36. **ENSURE LEGISLATIVE REVIEW OF CERTAIN RULES**

G.S. 150B-21.3 does not apply to a rule that extends the date set in 15A NCAC 13B .1627(c)(10)(A) for closure of a municipal solid waste landfill facility beyond January 1, 2000.

Sec. 27.37. **OPERATION OF PERMIT INFORMATION CENTER**

"The Department of Environment, Health, and Natural Resources may operate the Permit Information Center in order to improve permit applications, guidance materials, applicant and citizen training, and other purposes."

Coastal Resources

#38(page E 7) **Adopt-a-Beach Program** (Sec. 27.24) **$ 30,000 NR**
Funds to support the Adopt-a-Beach pilot program.

Water Quality

#39(page E 8) **Basinwide Planning Data Management** **$750,000 NR**
Funds to establish advanced computer based technologies to modernize and consolidate existing computerized information management, and expand computer based data management and analysis capabilities.

#40 (page E 8) **Wetlands Restoration Program and Fund** (Sec. 27.4) **$500,000 R 8.00 pos.**
Funds to administer a comprehensive wetlands restoration program and mitigation fund for the acquisition, restoration, enhancement, and creation of wetlands and riparian resources in each of the state's 17 river basins.

#41(page E 8) **Aboveground Storage Tanks** (Sec. 27.3) **$200,000 NR**
Funds for inspection and monitoring of large oil terminal and bulk handling facilities.

#42(page E 8) **Groundwater Impact of Lagoons Study**(Sec. 27.7) **$375,000 NR**
Funds for the UNC Board of Governors for the Agricultural Research Service at NCSU to design and implement a scientifically based study for the purpose of determining the extent to which lagoons pose a threat, if any, to the groundwater of the state.

#43(page E 8) **Alternative Animal Waste Technologies Study** (Sec. 27.35) **$500,000 NR**
Funds for the UNC Board of Governors for the Agricultural Research Service at NCSU to serve as a focal point for experimentation with and testing of alternative animal waste disposal technologies for use in agriculture.

#44(page E 8) **Isotope Study of Neuse and Cape Fear River Basins** **$372,000 NR**
Funds for the UNC Board of Governors to design and implement a scientifically valid study that uses available technology to identify the nonpoint sources of nitrogen in the surface waters of the Neuse River and Cape Fear River Basins.

#45(page E 8) **Neuse River Modeling and Monitoring** **$720,000 NR**
Funds to complete a hydrodynamic model of the Neuse River Estuary, to expedite a fate/transport nutrient model for the Neuse River, to establish permanent stream gauges to permit continuous data collection and real time monitoring.

#46 (page E 8) **Statewide Water Quality Monitoring** **$194,128 R / $37,500 NR 1.00pos.**
Funds to expand water quality monitoring activities of the state's rivers and streams.

#47(page E 9) **Assistance to Municipalities in Neuse River Basin** (Sec. 27.8) **$2,000,000 NR**
Funds to provide grants to local government units in the Neuse River Basin for improved wastewater treatment systems and storm water control measures aimed at reducing nitrogen levels in the Neuse River Basin.

#48(page E 9) **Study Atmospheric Deposition of Nitrogen** (Sec. 27.8) **$450,000 NR**
Funds for research and modeling to identify the amount of atmospheric nitrogen reaching the Neuse estuary to enable the development of strategies to reduce the most significant sources to improve water quality.

Land Resources

#49(page E 9) **Technical Assistance and Public Awareness Programs** **$175,000 R**
Funds to support technical assistance, training, education, and public awareness programs and activities associated with mining and sedimentation control.

#50(page E 9) **Increase Receipts Geodetic Survey Section** (Sec. 27.9A) **($200,000)R**
Increase budgeted receipts and reduce the section's general fund appropriations.

Solid Waste Management

#51(page E 9) **Change Hazardous Waste Report Requirement** (Sec. 27.10) **($69,568) R (2.00)pos.**
Change Hazardous Waste Report from annual to biannual to coincide with federal hazardous waste regulation reporting requirements.

Waste Reduction

#52 (page E 9) **Recycling Business Assistance Center** **$170,500 R / $5,500 NR 3.00 pos.**
Funds to continue the activities of the Recycling Business Assistance Center (RBAC).

Reserves and Special Funds

#68(page E11) **Clean Water Management Trust Fund** (Sec. 27.6)
Earmarks 6.5% of the year-end general fund credit balance annually to help finance projects that address water pollution problems and focus on upgrading surface waters, eliminating pollution and protecting and conserving unpolluted surface waters, including urban water supplies, and also to develop a network of riparian buffers and greenways for environmental, educational and recreational benefits.

#70(page E 11) **Reserve for Animal Waste Permitting & Compliance** **$1,550,766 R/ 32.00pos.**
Funds for support and staff to perform permitting, enforcement, compliance, and field activities associated with the permitting of animal waste management systems and the development of appropriate enforcement activities.

Division of Water Quality	Division of Soil and Water
$846,293 R /18 positions	$704,473 R / 14 positions

#72(page E12) **Reserve for General Assembly Study** (Sec. 27.12) **$25,000 NR**
Funds for legislative study commission to study and evaluate the impact and issues related to abandoned, closed and nonoperating animal waste lagoons and facilities.

House Bill 53

PART 6. BLOCK GRANT APPROPRIATIONS

Sec. 6(a) SOCIAL SERVICES BLOCK GRANT

Transfer to Preventive Health Block Grant for Emergency Medical Services	$213,128
Allocation to Preventive Health Block Grant for AIDS Education, Counseling and Testing	$ 66,939
Transfer to Department of Environment, Health and Natural Resources for the Adolescent Pregnancy Prevention Program	$239,261

Changes in this Block Grant Plan resulted in the loss of SSBG funds to County Health Departments for Basic Health Services and a reduction in funds in the above areas from the amount allocated last fiscal year.

Sec. 6.1(a) **NER BLOCK GRANT FUNDS**

" Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1997, according to the following schedule:"

MATERNAL AND CHILD HEALTH BLOCK GRANT

01.	Healthy Mother/Healthy Children Block Grants to Local Health Departments	$ 9,838,074
02.	High Risk Maternity Clinic Services, Perinatal Education and Training, SIDS, and Consultation/Technical Assistance	$1,810,112
03.	Services to Children With Special Health Care Needs	$5,065,331
TOTAL MATERNAL AND CHILD HEALTH BLOCK GRANT		$ 16,713,517

PREVENTIVE HEALTH SERVICES BLOCK GRANT

01.	Emergency Medical Services	$ 213,128
02.	Hypertension Programs	$ 711,813
03.	Statewide Health Promotion Programs	$2,568,940
04.	Dental Health for Fluoridation of Water Supplies	$ 210,269
05.	Rape Prevention and Rape Crisis Programs	$ 187,110
06.	Rape Prevention and Rape Education	$1,335,126
07.	AIDS/HIV Education, Counseling, and Testing	$ 66,939

08.	Office of Minority Health and Minority Health Council	$ 174,915
09.	Administrative and Indirect Cost	$199,048
TOTAL PREVENTIVE HEALTH SERVICES BLOCK GRANT		**$ 5,667,288**

Sec. 6.1(b) **Decrease in Federal Fund Availability**

"For the Maternal and Child Health Services and Preventive Health Services federal block grants: If federal funds are reduced less than ten percent (10%) below the amounts specified above...(all programs in)the Maternal and Child Health Services and in the Preventive Health Services block grants shall be reduced by the same percentage as the reduction in federal funds. If federal funds are reduced by ten percent (10%) or more below the amounts specified above...then for the Maternal and Child Health Services and the Preventive Health Services block grants the Department of Environment, Health, and Natural Resources shall allocate the decrease in funds after considering the effectiveness of the current level of services."

Sec. 6.1 **Increases in Federal Funds Availability**

"Any block grant funds appropriated by the Congress of the United States in addition to the funds specified in this act shall be expended as follows:

For the Maternal and Child Health Services Block Grant -- Thirty percent (30%) of these additional funds shall be allocated to services for children with special health care needs and seventy percent (70%) shall be allocated to local health departments to assist in the reduction of infant mortality."

"For the Preventive Health Block Grants -- If federal funds are increased by ten percent (10%) or more, then the Department shall allocate the increase in funds after considering the effectiveness of the current level of services and the effectiveness of services to be funded by the increase. If federal funds are increased by less than ten percent (10%), then these additional funds may be budgeted by the appropriate department, with the approval of the Office of State Budget and Management, provided the resultant increases are in accordance with federal block grant requirements and are within the scope of the block grant plan approved by the General Assembly."

Sec. 6.1(d)

" Changes to budgeted allocations to the Maternal and Child Health Services and the Preventive Health Services block grants due to **increases or decreases in federal funds shall be reported to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division within 30 days of the allocation.**

PART 14. OFFICE OF STATE CONTROLLER

Sec. 14 **NORTH CAROLINA INFORMATION HIGHWAY**

" Of the funds appropriated to the Office of the State Controller for the North Carolina Information Highway (NCIH), an amount not to exceed five hundred thousand dollars ($500,000) shall be used to expand the long distance capacity and provide for the establishment of regional hubs in each of the seven LATAS in North Carolina. The remaining funds shall be used to help defray the costs of existing NCIH sites except those located at university sites other than East Carolina University academic affairs campus. Any savings accrued shall be placed in reserve in the Office of the State Controller for consideration by the 1997 General Assembly."

PART 24. DEPARTMENT OF HUMAN RESOURCES

Sec. 24.16. **CLARIFICATION OF AUTHORIZED ADDITIONAL USE OF HIV FOSTER CARE AND ADOPTIVE FAMILY FUNDS**

Section 23.9 of Chapter 507 of the 1995 Session Laws is amended:

Adds adoptive families of HIV-infected children. Previously limited to foster families.

PART 27. DEPARTMENT OF ENVIRONMENT, HEALTH & NATURAL RESOURCES

Sec. 27.11 **DRINKING WATER WAIVER PROGRAM**

Requires DEHNR to establish a drinking water waiver program "to seek and qualify for additional waivers from the drinking water regulations of the United States Environmental Protection Agency." Environmental Health shall " report its progress in establishing and implementing the drinking water waiver program not later than December 15, 1996, to the Fiscal Research Division, the Environmental Review Commission, and the Legislative Research Commission Study Committee on Water Issues."

Sec. 27.14 **HEALTHY START FOUNDATION FUNDS**
 # 69 CONFERENCE REPORT (page E 11)

Section 26.4 of Chapter 507 of the 1995 Session Laws reads as rewritten:

Appropriates $650,000 to DEHNR to be allocated to North Carolina Healthy Start Foundation for the purpose of supporting "...statewide planning, promotion, and coordination for the First Step Campaign. Any remaining funds shall be used to support other programs and activities aimed at reducing infant mortality."

Sec. 27.26 **STRAIGHT PIPE ELIMINATION AMNESTY PROGRAM**
#53 CONFERENCE REPORT (page E 9)

" The Department of Environment, Health, and Natural Resources shall establish a program for the elimination of domestic sewage or wastewater discharges, both direct (straight pipes) and from overland flow of failing septic systems. "

DEHNR is appropriated $117,500 in recurring funds to support two staff positions and $12,500 in nonrecurring funds.

"The Department of Environment, Health, and Natural Resources shall report to the Environmental Review Commission and the Fiscal Research Division beginning October 15, 1996, and quarterly thereafter, regarding the implementation of this program."

Sec. 27.31 **WASTEWATER SYSTEM IMPROVEMENT PERMITS**

G.S. 130A-334(7b) is amended:

Further defines Plat to mean"... for subdivision lots approved by the local planning authority and recorded with the county register of deeds, a copy of the recorded subdivision plat that is accompanied by a site plan that is drawn to scale."

G.S. 130A-334(13a)is amended:

Adds to the definition of Site plan that it does not have to drawn to scale and that the site plan show both "...the existing and proposed property lines with dimensions."

G.S. 130A-335(f) is amended:

Requires that the " ... period of time for which the permit is valid and a statement that the permit is subject to revocation if the site plan or plat, whichever is applicable, or the intended use changes shall be displayed prominently on both the application form for the permit and the permit."

G.S. 130A-336(a) is amended:

Adds that the location of the proposed wastewater system be provided in an improvement permit.

G.S. 130A-336(b)is amended:

Authorizes construction of wastewater systems "...equal to the period of the validity of the improvement permit, not to exceed five years..."

G.S. 130A-336 is amended by adding a new subsection:

If health departments repeatedly do not issue or deny improvement permits within 60 days of receiving completed applications, DEHNR has the authority to withhold funding for those health departments.

Environmental Health

#53(page E 9) **Straight Pipe Elimination** **$117,500R / $12,500 NR 2.00 pos.**
Funds to establish a program to identify and eliminate straight pipe sewage and wastewater discharges and failing septic systems throughout the state.

#54(page E 9) **Food Sanitation** **$100,000NR**
Funds to provide training and continuing education to persons who conduct food and lodging inspections for county health departments.

#55(page E 10) **Reduce Contracts to Educational Institutions** **($276)R**
Division's allocation for reduction in contracts to educational institutions.

Health Promotion

#56(page E 10) **Reduce Contracts to Educational Institutions** **($34,617)R**
Division's allocation for reduction in contracts to educational institutions.

#57(page E 10) **State Games of North Carolina** **$150,000NR**
Funds for the Governors Council on Physical Fitness to support the State Games.

#58(page E 10) **Arthritis Program** **$15,000NR**
Continue grant-in-aid for private local project providing services to arthritis patients in Mecklenburg County.

#59(page E10) **Pharmaceuticals for non-Medicaid HIV patients** **$400,000R**
Funds to provide life-sustaining medications for medically indigent, non-Medicaid eligible persons infected with the human immunodeficiency virus.

Laboratory Services

#60(page E 10) **Reduce Laboratory Services in Health Lab** **($9,300) R**
Eliminate analyses currently performed for hospitals free of charge.

Local Health Services

#61(page E 10) **Reduce Contracts to Educational Institutions** **($2,441) R**
Division's allocation for reduction in contracts to educational institutions.

Maternal and Child Health

#62(page E 10) **UNC Craniofacial Center** **$200,000 NR**
Funds for grant to UNC Board of Governors for the UNC Craniofacial Center at the School of Dentistry at UNC-Chapel Hill to provide diagnostic and treatment services for children with craniofacial anomalies.

#63(page E 10) **Renovation Funds for WIC Clinics** **($250,000) R**
Reduce renovation funds for local WIC clinics.

#64(page E 11) **Cochlear Implants** **$200,000 NR**
Funds for grant to UNC Board of Governors for the Carolina Communicative Disorders Program at the School of Medicine at UNC-Chapel Hill to provide cochlear implants and other communication devices for hearing impaired children.

#65(page E 11) **Reduce Contracts to Educational Institutions** **($212,666) R**
Division's allocation for reduction in contracts to educational institutions.

#66(page E 11) **Non-Medicaid Maternity Care Coordination** **($170,900)R**
Reduce funds for case management services for women who do not meet Medicaid eligibility requirements.

Reserves and Special Funds

#69(page E 11) **Healthy Start Foundation** **$650,000 NR**

Funds to provide statewide planning, promotion, and coordination for the First Step Campaign and to support other programs and activities aimed at reducing infant mortality.

House Bill 53

Sec. 7.9. **DISASTER RELIEF FUNDS**

The Director of the Budget may use lapsed salary funds from the 1995-96 fiscal year to match federal funds for disaster relief.

Sec. 7.11. **CAPITAL RESERVE**

Capital Improvements - General Fund	1996-1997
Museum of Natural Sciences	500,000

Sec. 7.12. **USE OF FUNDS IN RESERVES**

Appropriates **$5,076,466** to the Reserve for Disaster Relief Funds shall not be subject to G.S. 143-16.3. Effective June 30, 1996.

Sec. 16.9. **AGRICULTURE RESEARCH FUNDS**

"Appropriates **$1,000,000** FY '96-'97 nonrecurring funds that will not revert for the purpose of "eradicating disease in the State's turkey population." Also allocates **$90,000** FY '96-'97 nonrecurring funds to "enhance fish hatcheries research and production." Funds appropriated to the Board of Governors."

Sec. 19.8. **GREEN ROADS INITIATIVE**

" From funds available to the Department of Transportation, the Department of Correction, and the Division of Forest Resources, Department of Environment, Health, and Natural Resources, approximately 700 acres of land shall be planted with trees during the 1996-97 fiscal year as the start of a "Green Roads Initiative" of reforestation along highways across the State."

DEHNR, DOT & DOC shall jointly report to the Joint Legislative Transportation Oversight Committee on the progress of the Green Roads Initiative by December 31, 1996.

Sec. 27. **AGRICULTURE COST SHARE FUNDS FOR ANIMAL OPERATIONS LOCATED IN A RIVER BASIN OTHER THAN THE NEUSE RIVER BASIN**
#31 CONFERENCE REPORT (page E 7)

Appropriates **$5,750,000 NR** FY '96-'97 non-reverting funds to the Division of Soil & Water Conservation for the purpose of assisting existing animal operations obtain approved animal waste management plans in the 17 river basins with the exception of the Neuse River Basin. Funds remaining at year end shall not revert.

This will be implemented through cooperation with Cooperative Extension Service, NRCS, DOA, and local Soil & Water Conservation Districts.

Sec. 27.1. **AGRICULTURE COST SHARE FUNDS FOR ANIMAL OPERATIONS LOCATED IN THE NEUSE RIVER BASIN**
#32 CONFERENCE REPORT (page E 7)

Appropriates **$1,750,000 NR** FY '96-'97 non-reverting funds to the Division of Soil & Water Conservation for the purpose of assisting existing animal operations in obtaining approved animal waste management plans in the Neuse River Basin. Funds remaining at year end shall not revert.

This will be implemented through cooperation with Cooperative Extension Service, NRCS, DOA, and local Soil & Water Conservation Districts.

Sec. 27.2 **STATEWIDE TECHNICAL ASSISTANCE FOR ANIMAL WASTE MANAGEMENT PLANS**
#33 CONFERENCE REPORT (page E7)

Appropriates $1,167,500 NR to the Division of Soil and Water Conservation to provide technical assistance to operators in the process of obtaining approved Animal Waste Management Plans for animal operations. These funds shall not revert at the end of the fiscal year. This activity shall be implemented through cooperation with the Cooperative Extension service, NRCS, and the Soil and Water Conservation Districts.

Sec. 27.13. **RESERVE FOR PERMITTING AND INSPECTING ANIMAL WASTE MANAGEMENT SYSTEMS #70 CONFERENCE REPORT (page E11)**

Appropriates **$1,550,766** in recurring funds to establish and support positions for the permitting , inspection and enforcement activities for animal waste management systems. "...**$704,473** in recurring funds shall be used to establish and support 14 positions in the Division of Soil and Water Conservation; and **$846,293** in recurring funds shall be used to establish and support 18 positions in the Division of Water Quality."

"When implementing this section, the Department shall cooperate with the Cooperative Extension Service, the Natural Resources Conservation Service of the United States Department of Agriculture, and the local Soil and Water Conservation Districts."

" No later than October 15, 1996, and quarterly thereafter, the Department of Environment, Health, and Natural Resources shall submit status reports to the Environmental Review Commission and the Fiscal Research Division."

"The information to be included in the reports... shall be itemized by each regional office of the Department, with totals for the State indicated."

"Fees collected pursuant to G.S. 143-215.10G shall not be used by the department to cover the cost of this program, but shall be credited to the General Fund as nontax revenue."

Sec. 27.18. **PILOT PRIVATIZATION PROJECT FOR CONSTRUCTION OF FORESTRY BUILDINGS #73 CONFERENCE REPORT (page E12)**

Appropriates **$150,000 NR** FY '96-'97 to DEHNR for the Department to enter into a contract with a county to construct a forestry headquarters building in that county.

DEHNR shall report December 15, 1996, and again no later than April 15, 1997, to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the progress of this pilot project.

Sec. 27.18. **FOREST RESOURCES NURSERY PROGRAM FUNDS**

"The Division of Forest Resources ... may retain and use any funds derived from the taking of nursery acreage at Claridge State Forest Nursery ... to cover the cost associated with relocating nursery fields and seed orchards".

Sec. 24.22. **MULTI-COUNTY WATER CONSERVATION AND INFRASTRUCTURE DISTRICT # 67 CONFERENCE REPORT (page E 11)**
G.S. 158-15.1 is rewritten:

Adds Caswell, Forsyth, Guilford, Rockingham, Stokes, Surry, and Washington Counties to the Multi-County Water Conservation and Infrastructure District and allocates **$1,000,000** to the District to be allocated the new member counties on based on a percentage of land area each new member county has in the Roanoke River Basin located in North Carolina.

Sec. 27.21. **MARINE FISHERIES DOCK MAY BE USED BY OTHER AGENCIES**

"The Division of Marine Fisheries' Morehead City Dock Facility shall be available for use by the University of North Carolina Institute of Marine Sciences, the North Carolina Sea Grant College Program, and Carteret Community College for their programs and activities."

Sec. 27.22. **ACCOUNTABILITY FOR CERTAIN STATE AGRICULTURE COST SHARE FUNDING**
G.S. 143-215.74 is rewritten:

Gives priority to Agriculture Cost Share Funds designation to those projects that improve water quality. Requires a pre-evaluation and post evaluation of the project to determine the improvement in water quality.

"The Soil and Water Conservation Commission shall report no later than January 31, 1997, and annually thereafter to the Environmental Review Commission and the Fiscal Research Division. This report shall include a list of projects that received State funding pursuant to the program, the results of the evaluations...regarding the effectiveness of each of these projects to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality."

The Division of Soil and Water Conservation shall report to the ERC no later than January 1, 1997 regarding the desirability of requiring each applicant under the Ag. Cost Share Program to submit a Nutrient Management Plan.

Sec. 27.23. **PROHIBIT TRANSFER OF POSITIONS FORM SOIL AND WATER CONSERVATION TO WATER QUALITY**

The Department is prohibited from transferring any positions established in HB 53 from the Division of Soil and Water Conservation to the Division of Water Quality.

Sec. 27.32 **ENVIRONMENTAL REPORTS**

"The Department of Environment, Health, and Natural Resources shall report to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on January 1, 1997, and July 1, 1997, on:

(1)Actions taken to reorganize the Department to make the Department operate more efficiently and effectively

(2)Actions taken by the Environmental Management Commission, the Coastal Resources Commission, and the Marine Fisheries Commission to enhance communication, and to develop a strategic plan to coordinate and consolidate activities.

(3)Progress made to implement initiatives to protect and restore impaired water quality in the Neuse River Basin and in nutrient sensitive waters including a report on implementation of the animal waste management system permits."

(b) The Primary Investigator or Researcher receiving funding from the State shall **report** to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on January 1, 1997, and July 1, 1997, on preliminary and final results of research projects and studies on:

(1)Odor control technology;

(2)Sources of nitrogen through isotope markers;

(3)Groundwater impacts of lagoons;

(4)Atmospheric deposition of nitrogen in the Neuse Estuary; and

(5)Alternative animal waste technologies.

Sec. 27.33. **CORE SOUND/DESCRIPTION OF AREA A FOR SHELLFISH LEASE MORATORIUM.**

Amends Section 3 of Chapter 547 of the 1995 Session Laws (1996 Regular Session)

Gives the boundaries of the moratorium on shell fish leases in Core Sound.

Forest Resources

#73 (page E 12) **Forestry Headquarters Pilot Project** (Sec. 27.18) **$150,000NR**
Funds for a pilot project to construct a forestry headquarters building.

#25(page E 6) **Forestry Headquarters** **$46,000NR**
Funds to purchase a storage building and truck lift for the Warren County forestry headquarters site.

#26 (page E 6) **Assistant County Rangers** **$34,539R / $21,901NR 1.00 pos.**
Funds to support one Assistant County Ranger Position in District IV and one Assistant County Ranger in District II.

#27(page E 6) **Bladen Lakes State Forest** **($45,084) (1.00) pos.**
Eliminate remaining general fund appropriation and shift position to receipt support.

Office of Environmental Education

#28 (page E 6)**Water Quality and River Basin Education Programs** **$144,250R / $20,394NR 3.00pos.**
Funds to develop and implement water quality environmental education programs for each of the state's 17 other river basins.

Parks and Recreation

#29 (page E 6) **Adopt-a-Trails Program** **$100,000R**
Funds to expand the Adopt-a-Trails grant program.

Soil and Water Conservation

#30 (page E 6) **Odor Control Technology Study**(Sec. 27.3) **$600,000NR**
Funds for the UNC Board of Governors for the Agricultural Research Service at NCSU to conduct research into economically feasible odor control technologies and to provide detailed economic analysis of odor management alternatives; provided these funds are matched with an equal sum from private sources.

#31(page E 7) **Agriculture Cost Share Program** (Sec. 27) **$5,750,000NR**
Additional funds for the Agriculture Cost Share Program for Nonpoint Source Pollution Control to assist existing farming operations in obtaining an approved animal waste management plan. These funds may not be allocated to operations in the Neuse River Basin.

#32(page E 7) **Agriculture Cost Share Program - Neuse River Basin** (Sec. 27.1) **$1,750,000NR**
Additional funds for the Agriculture Cost Share program for Nonpoint Source Pollution Control to assist existing farming operations in obtaining an approved animal waste management plan and in the installation of BMPs. These funds may be allocated only for use in the Neuse River Basin.

#33(page E 7) **Statewide Technical Assistance to Animal Operation** (Sec. 27.2) **$1,167,500NR**
Funds to provide technical assistance to operators of animal operations in the process of obtaining an approved animal waste management plan.

#34(page E 7) **Agriculture Cost Share Program - Tech. Assistance** **$200,000R**
Additional funds for county reimbursement, up to 50% of the cost of providing technical assistance in the planning, design and installation of agricultural BMPs.

#35(page E 7) **Support for Soil & Water Conservation Districts** **$200,000R**
Additional matching funds for local Soil and Water Conservation Districts ($2,000 per county) for operating expenses.

#36(page E 7) **Additional Staff** **$194,250R / $5,750 NR 4.00 pos.**
Funds for additional staff for the Division of Soil and Water Conservation, including a Local Area Network Administrator, an environmental supervisor to coordinate activities in the state's other basins, a technician for the Agriculture Cost Share Program and a budget/personnel/grants specialist.

#37(page E 7) **Soil Survey** **$100,000NR**
Funds for two temporary soil survey specialist positions to update existing soil surveys in Buncombe County.

#70(page E 11) **Reserve for Animal Waste Permitting & Compliance** **$1,550,766 R/ 32.00pos.**
Funds for support and staff to perform permitting, enforcement, compliance, and field activities associated with the permitting of animal waste management systems and the development of appropriate enforcement activities.

Division of Water Quality	**Division of Soil and Water**
$846,293 R /18 positions	**$704,473 R / 14 positions**

SB 1217 Animal Waste Permit
Chapter 626 Sec. 11. '95 Session Laws

The Division of Soil & Water Conservation, Natural Resources Conservation Service, the Cooperative Extension Service of NCSU, and the Dept. of Agriculture "shall prepare a coordinated and comprehensive plan that includes use of existing resources at the local level for nonpoint source pollution prevention and control." This plan shall be **reported** to the **Senate Select Committee on River Water Quality and Fish Kills** and the **ERC** by **September 30, 1996.**

Responsible for Compliance: **Division of Soil & Water Conservation: Dewey Botts, Director**

SB 1317 Underground Storage Tank Amendments
Chapter 648 Sec. 5. '95 Session Laws

DEHNR shall study options for privatization of the leaking petroleum underground storage clean up program and is to **report** to the Environmental Review Commission with its findings, recommendations and any proposed legislation on or before **November 1, 1996.**

Responsible for Compliance: **Division of Water Quality: Preston Howard, Director**

HB 1074 Prohibit Shellfish Leases Core Banks
Chapter 547 Sec. 4. '95 Session Laws

The Joint Legislative Commission on Seafood and Aquaculture shall study the shell fish lease program and report its findings and recommendations to the 1997 General Assembly.

HB 1077 Changes Fisheries Laws
Chapter 633. '95 Session Laws

Sec. 2. Fisheries Resource Grant Program

"Report on Grant Program. - The Sea Grant College Program shall report on an annual basis to the Marine Fisheries Commission and the Joint Legislative Commission on Seafood and Aquaculture."

Sec. 3. Scientific Advisory Council

"The **Council** shall submit a written **annual report** not later than **October 1, of each year**, to the Secretary, the Governor, the **Environmental Review Commission and the Joint Commission on Governmental Operations**. The report shall address the progress in implementation of a coordinated water resources and coastal fisheries management program. The report shall include an accounting of funds expended and anticipated funding needs for full implementation of recommended programs."

Sec. 4.

"The **Department** shall **report** annually to the **Environmental Review Commission and the Senate Agriculture and Environment Committee** no later than **December 1 of each year**. This report shall include a summary of all fish kill activity within the last year, an overview of any trend analyses, a discussion of any new or modified methodologies or reporting protocols, and any other relevant information."

Responsible for Compliance: Division of Water Quality: Preston Howard, Director

HB 1339 Nitrogen Reduction Goal
Chapter 572, Sec. 3. '95 Session Laws

"The **Environmental Management Commission** shall annually **report** to the **Environmental Review Commission** as to its progress in developing and adopting the plan required by this act and as to its progress in implementing the plan and achieving the goal established by this act. The Environmental Management Commission shall make its initial report to the Environmental review Commission **on or before November 1, 1996**."

HB 53 1996-97 BUDGET CHANGES - 2
Chapter 18 '96 Session Laws

Sec. 6.1(d) **NER BLOCK GRANT FUNDS**

" Changes to budgeted allocations to the Maternal and Child Health Services and the Preventive Health Services block grants due to increases or decreases in federal funds shall be **reported** to the **Joint Legislative Commission on Governmental Operations** and the **Fiscal Research Division** within 30 days of the allocation."

Responsible for Compliance: **Division of Maternal and Child Health: Ann Wolfe, Director**
Division of Health Promotion: Dale Simmons, Director

Sec. 19.8. **GREEN ROADS INITIATIVE**

"From funds available to the Department of Transportation, the Department of Correction, and the **Division of Forest Resources**, Department of Environment, Health, and Natural Resources, approximately 700 acres of land shall be planted with trees during the 1996-97 fiscal year as the start of a "Green Roads Initiative" of reforestation along highways across the State." DEHNR, DOT & DOC shall jointly **report** to the **Joint Legislative Transportation Oversight Committee** on the progress of the Green Roads Initiative by **December 31, 1996.**

Responsible for Compliance: **Division of Forest Resources: Stan Adams, Director**

Sec. 27.4 **WETLAND RESTORATION PROGRAM/FUNDS**
Amends G.S. 143-214.13. Wetlands Restoration Program: Reporting Requirement.

"The Department of Environment, Health, and Natural Resources shall report **each year by November 1** to the **Environmental Review Commission** regarding its progress in implementing the Wetlands Restorations Program."

Responsible for Compliance: **Division of Water Quality: Preston Howard, Director**

Sec. 27.11. **DRINKING WATER WAIVER PROGRAM**

Requires DEHNR to establish a drinking water waiver program "to seek and qualify for additional waivers from the drinking water regulations of the United States Environmental Protection Agency." **The Division of Environmental Health** shall " report its progress in establishing and implementing the drinking water waiver program not later than **December 15, 1996**, to the **Fiscal Research Division**, the **Environmental Review Commission**, and the **Legislative Research Commission Study Committee on Water Issues.**"

Responsible for Compliance: **Division of Environmental Health: Linda Sewell, Director**

Sec. 27.12. **STUDY ENVIRONMENTAL IMPACTS OF ABANDONED LAGOONS/ANIMAL FACILITIES**

The **Legislative Study Commission** is to **report**, no later than January 1, 1997, its findings, recommendations and legislative proposals to the **1997 General Assembly**, the **Environmental Review Commission** and the **Fiscal Research Division**.

Sec. 27.13. **RESERVE FOR PERMITTING AND INSPECTING ANIMAL WASTE MANAGEMENT** SYSTEMS

" No later than **October 15, 1996, and quarterly thereafter**, the Department of Environment, Health, and Natural Resources shall submit **status reports** to the **Environmental Review Commission** and the **Fiscal Research Division.**"

"The information to be included in the reports... shall be itemized by each regional office of the Department, with totals for the State indicated."

Responsible for Compliance: **Division of Soil & Water Conservation: Dewey Botts, Director**
Division of Water Quality: Preston Howard, Director

Sec. 27.18. **PILOT PRIVATIZATION PROJECT FOR CONSTRUCTION OF FORESTRY BUILDINGS**

Division of Forestry Resources shall **report no later than December 15, 1996,** and again no later than **April 15, 1997**, to the **Joint Legislative Commission on Governmental Operations** and the **Fiscal Research Division** on the progress of this pilot project.

Responsible for Compliance: **Division of Forest Resources: Stan Adams**

Sec. 27.22. **ACCOUNTABILITY FOR CERTAIN STATE AGRICULTURE COST SHARE FUNDING**

"The Soil and Water Conservation Commission shall **report no later than January 31, 1997**, and annually thereafter to the Environmental Review Commission and the Fiscal Research Division. This report shall include a list of projects that received State funding pursuant to the program, the results of the evaluations...regarding the effectiveness of each of these projects to accomplish its primary purpose, and any recommendations to assure that State funding is used in the most cost-effective manner and accomplishes the greatest improvement in water quality." The Division must **report, no later than Jan. 1, 1997, to the EMC** regarding the desirability of requiring each applicant under the Ag. Cost Share Program to submit a nutrient management plan.

Responsible for Compliance: **Division of Soil & Water Conservation: Dewey Botts, Director**

Sec. 27.24. ADOPT -A- BEACH
Amends Chapter 143 by adding Article 69.

The Department must report by March 15, 1997 and annually thereafter the progress in implementing this program.

Responsible for Compliance: **Division of Coastal Resources: Roger Schecter, Director**

Sec. 27.26. **WATER RESOURCES DEVELOPMENT PROJECTS FUNDS**

The Division of Water Resources shall make **quarterly reports** on the use of these funds to the **Joint Legislative Commission on Governmental Operations**, the **Fiscal Research Division**, and the **Office of State Budget and Management**. Reports shall include:

(1)All projects listed in this section.
(2)The estimated cost of each project.
(3)The date that work on each project began or is expected to begin.
(4)The date that work on each project was completed or is expected to be completed.
(5)The actual cost of each project.
(6)Show those projects advanced in schedule, those projects delayed in schedule, and an estimate of the amount of funds expected to revert to the General Fund.

Responsible for Compliance: **Division of Water Resources: John Morris, Director**

Sec. 27.26. **STRAIGHT PIPE ELIMINATION AMNESTY PROGRAM**

"The Department of Environment, Health, and Natural Resources shall establish a program for the elimination of domestic sewage or wastewater discharges, both direct (straight pipes) and from overland flow of failing septic systems. "

"The Department of Environment, Health, and Natural Resources shall **report** to the **Environmental Review Commission** and the **Fiscal Research Division** beginning **October 15, 1996**, and **quarterly** thereafter, regarding the implementation of this program."

Responsible for Compliance: **Division of Environmental Health: Linda Sewell, Director**

Sec. 27.30. **ABOVEGROUND STORAGE TANKS INSPECTION AND MONITORING**

October 1, 1996, and quarterly thereafter, the Division of Water Quality shall submit a **report** of its inspection and monitoring activities concerning this section to the **ERC**.

Responsible for Compliance: **Division of Water Quality: Preston Howard**

Sec. 27.32 **ENVIRONMENTAL REPORTS**

"The Department of Environment, Health, and Natural Resources shall **report** to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on **January 1, 1997, and July 1, 1997**, on:

(1)Actions taken to reorganize the Department to make the Department operate more efficiently and effectively Responsible for Compliance: **Executive Staff: Steve Levitas/Richard Whisnant**

(2)Actions taken by the Environmental Management Commission, the Coastal Resources Commission, and the Marine Fisheries Commission to enhance communication, and to develop a strategic plan to coordinate and consolidate activities.

(3)Progress made to implement initiatives to protect and restore impaired water quality in the Neuse River Basin and in nutrient sensitive waters including a report on implementation of the animal waste management system permits."

Responsible for Compliance: **Division of Water Quality: Preston Howard, Director**

(b) The **Primary Investigator or Researcher** receiving funding from the State shall **report** to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on **January 1, 1997, and July 1, 1997,** on preliminary and final results of research projects and studies on:

(1)Odor control technology;
(2)Sources of nitrogen through isotope markers;
(3)Groundwater impacts of lagoons;
(4)Atmospheric deposition of nitrogen in the Neuse Estuary; and
(5)Alternative animal waste technologies.

S 687

WASTEWATER SYSTEM IMPROVEMENT PERMITS
RATIFIED 6/20/96

PROVIDES THAT IMPROVEMENT PERMITS FOR WHICH A PLAT IS PROVIDED ARE VALID WITHOUT EXPIRATION AND THAT IMPROVEMENT PERMITS FOR WHICH A SITE PLAN IS PROVIDED ARE VALID FOR FIVE YEARS.

S 1217

ANIMAL WASTE COMMISSION RECOMMENDATIONS
RATIFIED 6/21/96

AN ACT TO IMPLEMENT RECOMMENDATIONS OF THE BLUE RIBBON STUDY COMMISSION ON AGRICULTURAL WASTE.

S 1286

RESTRUCTURE FORESTRY COUNCIL
RATIFIED 6/21/96

AN ACT TO EXPAND THE MEMBERSHIP OF THE FORESTRY COUNCIL OF THE DEHNR AND REDEFINE ITS RESPONSIBILITIES, AS RECOMMENDED BY THE ERC.

S 1317.

UNDERGROUND STORAGE TANK AMENDS

RATIFIED 6/21/96

AN ACT TO PROVIDE FOR THE CONTINUED SOLVENCY OF THE COMMERCIAL LEAKING PETROLEUM UNDERGROUND STORAGE TANK CLEANUP FUND AND TO MAKE OTHER CHANGES TO THE LEAKING PETROLEUM UNDERGROUND STORAGE TANK CLEANUP PROGRAM, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

S 1328

DEHNR RESTRUCTURING

RATIFIED 6/21/96

TO IMPLEMENT PHASE ONE OF THE RESTRUCTURING OF ENVIRONMENTAL PROGRAMS IN THE DEHNR AND TO MAKE CONFORMING STATUTORY CHANGES, AS RECOMMENDED BY THE ENVIRONMENTAL PROCESS ACTION TEAM OF THE DEHNR AND TO MAKE CLARIFYING, CONFORMING, AND TECHNICAL AMENDMENTS TO VARIOUS LAWS RELATING TO ENVIRONMENT, HEALTH, AND NATURAL RESOURCES, AS RECOMMENDED BY THE ERC.

HB 859

SOLID WASTE AMENDMENTS

RATIFIED 6/20/96

REVISES THE SOLID WASTE MANAGEMENT ACT OF 1989 & RELATED STATUTES

H 934

ENVIRONMENTAL LAWS / TECH. CHANGES
RATIFIED 6/21/96

AN ACT TO MAKE CLARIFYING, CONFORMING, AND TECHNICAL CHANGES TO VARIOUS LAWS RELATING TO ENVIRONMENT, HEALTH, AND NATURAL RESOURCES AND RELATED LAWS.

H 1074

PROHIBIT SHELLFISH LEASES/CORE BANKS
RATIFIED 5/23/96

TO PROHIBIT THE ISSUANCE OF NEW SHELLFISH CULTIVATION LEASES IN CORE BANKS, TO ESTABLISH A MORATORIUM ON SHELLFISH LEASES IN THE REMAINING AREA IN CARTERET COUNTY, AND TO REQUIRE THAT THE JOINT LEGISLATIVE STUDY COMMISSION ON SEAFOOD AND AQUACULTURE STUDY THE SHELLFISH LEASE PROGRAM.

H 1075

REMOVE ENDORSEMENT TO SELL SUNSET
RATIFIED 6/20/96

TO REMOVE TO EXPIRATION DATE ON THE ENDORSEMENT TO SELL PROGRAM SET FORTH IN CHAPTER 516 OF THE 1993 SESSION LAWS. G.S. 113-154.1

H 1077

EMPLOYEES, SHELLFISH LEASES/FRANCHISES
RATIFIED 6/21/96

AN ACT TO MAKE VARIOUS CHANGES IN THE MARINE FISHERIES LAWS AND TO CREATE A SCIENTIFIC ADVISORY COUNCIL.

H 1078

EXTEND FISHERIES MORATORIUM REPORTING DATE

RATIFIED 6/5/96

AN ACT TO CLARIFY THE DATE OF THE MORATORIUM STEERING COMMITTEE'S FINAL REPORT AND TO EXTEND THE DATE THAT THE JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND AQUACULTURE IS REQUIRED TO REPORT.

H 1339

NITROGEN REDUCTION GOAL

RATIFIED 6/19/96

TO IMPROVE WATER QUALITY BY ESTABLISHING A GOAL TO REDUCE THE AVERAGE LOAD OF NITROGEN DELIVERED TO THE NEUSE RIVER ESTUARY FROM POINT AND NONPOINT SOURCES BY THIRTY PERCENT OF THE AVERAGE ANNUAL LOAD FOR THE PERIOD 1991 THROUGH 1995 BY THE YEAR 2001
AND TO REQUIRE THE ENVIRONMENTAL MANAGEMENT COMMISSION TO DEVELOP A PLAN TO ACHIEVE THIS GOAL, AS RECOMMENDED BY THE ERC.

H 53

1996-97 BUDGET CHANGES- 2
RATIFIED 8/3/96

AN ACT TO MODIFY THE CONTINUATION BUDGET OPERATIONS APPROPRIATIONS ACT OF 1995, AND THE EXPANSION CAPITAL IMPROVEMENTS APPROPRIATIONS ACT OF 1995, AND TO MAKE OTHER CHANGES IN THE BUDGET OPERATION OF THE STATE.

H 61

SPEAKER'S APPOINTMENTS
RATIFIED 8/3/96

AN ACT TO APPOINT PERSONS TO PUBLIC OFFICE UPON THE RECOMMENDATION OF THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

S 46

1996 STUDIES
RATIFIED 8/3/4

AN ACT TO AUTHORIZE STUDIES BY THE LRC, TO CREATE AND CONTINUE VARIOUS COMMISSIONS, TO DIRECT STATE AGENCIES AND LEGISLATIVE OVERSIGHT COMMITTEES AND COMMISSIONS TO STUDY SPECIFIC ISSUES, TO ABOLISH THE HEALTH CARE REFORM COMMISSION, AND TO AMEND THE LAWS GOVERNING CORPORATE REINSTATEMENT AFTER DISSOLUTION.

3 1610 00003333 1